

Subject Coronavirus aid distributions to local governments

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Overview

Provides \$841 million in onetime aids to local governments for COVID-19 related expenses in calendar year 2020.

Summary

Section	Description
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1	Coronavirus relief fund; local government distributions.
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Subd. 1. Definition. Defines “commissioner” as the commissioner of revenue, as well as a number of other terms for this section.

Subd. 2. Local government distribution amounts. Sets distribution amounts for eligible towns, eligible cities, and eligible counties.

- For eligible towns, which includes those with a population between 200 and 4,999, the distribution is \$25 multiplied by the population of the town.
- For eligible cities, which includes those with a population of 200 or more, plus towns with a population of 5,000 or more, the distribution is equal to a dollar amount per capita that is the same for all eligible cities, which when set, equals the total distribution for eligible cities. This amount is approximately \$75.34 per capita.
- For eligible counties, which are all counties except Hennepin and Ramsey Counties, the distribution is equal to the sum of: (1) a dollar amount multiplied by the total county population; (2) \$75.34 multiplied by the population within the county located in a city with a population under 200; and (3) \$25 multiplied by the population within the county outside of any city or eligible town. The amount under (1) is approximately \$121.28.

Section Description

Subd. 3. Distribution schedule. Requires the commissioner to distribute funds no later than June 30, 2020.

Subd. 4. Allowed uses. Requires that aid distributions received by local governments be used for purposes consistent with the requirements of the CARES Act (Public Law 115-136). Requires eligible counties to use at least ten percent of their base distribution (i.e. approximately \$121.28 multiplied by the county's total population) for emergency financial assistance to individuals or for economic support for businesses.

This subdivision also allows a city or town that does not get a direct distribution, because is not an eligible city or eligible town, to apply to its home county for a grant to cover allowable expenses. Applications must be made by September 1 and grants must be paid by September 20.

Subd. 5. Local government collaborative agreements. Allows local governments to enter into collaborative agreements to share aid distributions.

Subd. 6. Expenditure time limits. Requires eligible cities and towns whose home county is not Hennepin County or Ramsey County to send any unspent aid to their home county by November 15, 2020. Eligible cities and towns whose home county is Hennepin County must send any unspent aid to Hennepin County Medical Center or another hospital, and eligible cities and towns whose home county is Ramsey County must send any unspent aid to Regions Hospital or another hospital. For these medical facilities, eligible counties, and local governments that have entered into an agreement under subdivision 5, any remaining aid amounts unspent by December 1, 2020, must be returned to the commissioner by December 10, 2020. These unspent aid amounts are returned to the coronavirus relief federal fund.

Subd. 7. Repayment of improperly spent federal funds. Requires the commissioner to recoup money from a local government if the Department of the Treasury has determined that the state is subject to recoupment under the CARES Act, and the recoupment is the result of a local government spending the aid improperly.

Subd. 8. Appropriations. Appropriates \$841,464,000 in fiscal year 2020 from the coronavirus relief federal fund for aid distributions under this section. This money is available until November 30, 2020. Of this amount:

- \$374,209,893 is distributed to eligible towns and cities; and
- \$467,254,103 is distributed to eligible counties.



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